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JAN 17 1997

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

In the Matter of

Application of Ameritech  
Michigan Pursuant to Section  
271 of the Telecommunications  
Act of 1996 to Provide In-  
Region, InterLATA Services in  
Michigan

CC Docket No. 97-1

Volume 1.5:  
Interconnection Agreement between  
USN Communications  
and  
Ameritech Michigan

**Supplemental Filing**

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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In the Matter of

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CC Docket No. \_\_\_\_\_

Listing of Materials Included in Supplemental Filing  
inadvertently omitted from Initial Filing  
for Volume 1.5

1. "Second Addendum" (Exhibit A-2) to Ameritech Resale Local Exchange Service Confirmation of Service Order - Residence.
2. Finalized First Addendum (Exhibit A-1) to Residence Resale Confirmation of Service Order.
3. Addenda 1 and 2 (Exhibits C-1 and C-2) to Business Confirmation of Service Order.
4. Finalized Part 22, Section 2, Original Sheets 1 and 2.
5. Finalized Price Schedule contained in Attachment 1 to Exhibit B to the Agreement for Resale Services.
6. Executed Signature Page for the Ameritech Resale Local Exchange Service Confirmation of Service Order.
7. Finalized Tariff Part 22
8. "Michigan - Business Average Discounted Retail Rate Analysis," attachment to the "Ameritech Resale Local Exchange Service Confirmation of Service Order - Business."

**STATE OF MICHIGAN**  
Michigan Public Service Commission

SS.

**RECEIVED**

**JAN 17 1997**

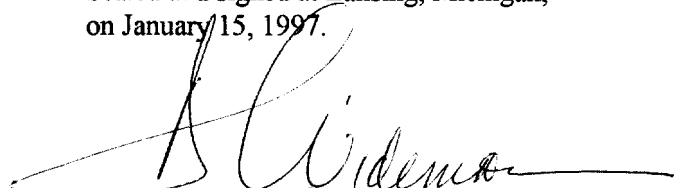
**FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY**

I, Dorothy Wideman, Executive Secretary of the Michigan Public Service Commission, certify that the attached copy, with the Michigan Public Service Commission seal, filed in Case No. U-11239, of

Ameritech Michigan's October 30, 1996 Joint Application, with supporting Exhibits and Affidavits, for Approval of an Interconnection Agreement between Ameritech Information Industry Services, on behalf of Ameritech Michigan, and U. S. Network Corporation, on behalf of U.S.N. Communications, Inc.,

is a true and correct transcript of the original.

Sealed and signed at Lansing, Michigan,  
on January 15, 1997.

  
Executive Secretary

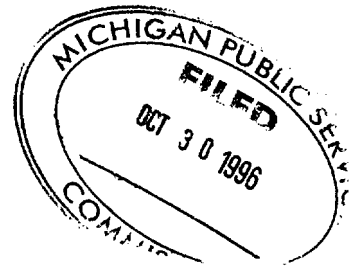


Ameritech Michigan  
444 Michigan Avenue  
Room 1750  
Detroit, MI 48226  
Office 313/223-8008

Michael A. Holmes  
Counsel  
Regulatory/Legislation

October 30, 1996

Ms. Dorothy Wideman  
Executive Secretary  
Michigan Public Service Commission  
6545 Mercantile Way, P.O. Box 30221  
Lansing, MI 48909



**Re: MPSC Case No. U-11239**

Dear Ms. Wideman:

Enclosed for filing are an original and 15 copies of the Joint Application of USN Communications and Ameritech Michigan, with supporting Exhibits and Affidavits, requesting Commission approval of an Interconnection Agreement between Ameritech Information Industry Services, Inc., a division of Ameritech Services, on behalf of Ameritech Michigan, and U.S. Network Corporation, on behalf of U.S.N. Communications, Inc.

Very truly yours,

A handwritten signature in cursive script that reads "Michael A. Holmes".

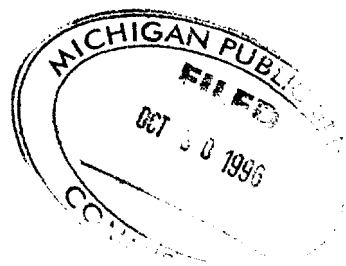
Michael A. Holmes

MAH/jrl  
Enclosures

STATE OF MICHIGAN  
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In Re the request for Commission approval )  
of an Interconnection Agreement between )  
US Network Corporation on behalf of )  
Communications, Inc., and, Ameritech )  
Information Industry Services, etc., on behalf )  
of Ameritech Michigan. )  
\_\_\_\_\_ /

Case No. U-11239



**JOINT APPLICATION**

USN Communications and Ameritech Michigan hereby jointly apply to the Michigan Public Service Commission (Commission) pursuant to Section 252(e)(1) of the Telecommunications Act of 1996<sup>1</sup> (the Act), for approval of an Interconnection Agreement effective April 26, 1996 (The Agreement) by and between US Network Corporation on behalf of USN Communications, Inc. (USN Communications), collectively, and Ameritech Information Industry Services, a division of Ameritech Services, Inc., on behalf of Ameritech Michigan.

In support of this Application, USN Communications and Ameritech Michigan state as follows:

1. USN Communications is a Delaware corporation, authorized to do business in Michigan.
2. Ameritech Michigan is a Michigan corporation, engaged in providing telecommunications services to the public in its various exchanges and zones throughout the State of Michigan.
3. On April 26, 1996, USN Communications filed an Application with the Commission in Case U-11085 for issuance of a license to

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<sup>1</sup>Pub. L. No. 104-104 110 Stat. 56 (1996) (to be codified at 47 USC 151, et. seq.)

provide basic local exchange services in Michigan, primarily in the Detroit Metropolitan area. On August 22, 1996, the Commission issued an Order approving USN Communication's Application.

4. USN Communications made a request for resale negotiations with Ameritech Michigan on or about February 8, 1996. The request was made pursuant to Sections 251 and 252 of the Act. Thereafter, the parties engaged in good faith negotiations as required by the Act, leading to the execution of the Agreement dated April 26, 1996.

5. The understanding of the parties is set forth in four separate contracts covering the purchase of various services on a wholesale basis for subsequent resale, which are collectively referred to herein as "the Agreement." The first contract is entitled "Ameritech Resale Local Exchange Service Confirmation of Service Order" for residence services, a copy of which is attached as Exhibit A.<sup>2</sup> The second contract is entitled "Agreement Between Ameritech Information Industry Services and US Network Corporation For Resale Services" for residence services, a copy of which is attached as Exhibit B. The third contract is entitled "Ameritech Resale Local Exchange Service Confirmation of Service Order" for business services, a copy of which is attached as Exhibit C.<sup>3</sup> The fourth contract is entitled "Agreement Between Ameritech Information Industry Services and US Network Corporation For Resale Services" for business services, a copy of which is attached as Exhibit D.

6. The Agreement has a ten (10) year term and, together with Ameritech's tariffs, establishes comprehensive rates, terms and conditions for the purchase by USN Communications of various services at wholesale rates for subsequent resale. Some of the types of services included in the Agreement are

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<sup>2</sup> Addenda to Exhibit A are attached hereto as Exhibits A-1 and A-2, respectively.

<sup>3</sup> Addenda to Exhibit C are attached hereto as Exhibits C-1 and C-2, respectively.

local exchange services (both access lines and local usage), operator assistance services, custom calling services, complimentary central office services, call routing services, interzone services, message toll services, ISDN, and various other services.<sup>4</sup> Detailed listings of such services and associated wholesale rates are set forth in the body of the Agreement or attachments thereto.

7. Section 13.2 of Exhibit A and Section 15.2 of Exhibit C both contain the following identical language:

"In the event that Ameritech revises its tariffs to reflect the restructuring of its local exchange, toll and access service rates as provided for in Section 304a of the Michigan Telecommunications Act [MTA], Ameritech may revise the rates shown in Section 3.0 of this Agreement to reflect appropriate changes, if any, to those rates. Such tariff revision shall not affect Carrier's [USN Communications'] discount structure as reflected in this Agreement."

8. At the time the Agreement was entered, Ameritech Michigan had an application in Case No. U-11039 pending before the Commission, seeking approval of a restructuring of Ameritech Michigan's basic local exchange rates. Section 13.2 of Exhibit A and Section 15.2 of Exhibit C were inserted in the event that the Commission approved any applications by Ameritech Michigan to restructure its rates for basic local exchange service, and to ensure that USN Communications receives wholesale discounts on Ameritech Michigan's restructured rates.<sup>5</sup>

9. The Commission's approved Ameritech's application in Case No. U-11039 on May 10, 1996. Tariffs reflecting those restructured rates were filed with the Commission on August 9, 1996.

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<sup>4</sup> USN Communications will also purchase 911 services from Ameritech out of its resale tariff and will offer those services pursuant to its own 911 tariff. (See Paragraph 7 OF J. Thomas Elliott's Affidavit attached hereto)

<sup>5</sup> As to the terms and conditions of services purchased by USN Communications which are governed by Ameritech's resale tariff, changes in those tariffs will be incorporated in the terms and conditions of USN Communications' purchase.

10. Pursuant to Section 13.2 of Exhibit A and Section 15.2 of Exhibit C, the wholesale discount structure of the Agreement was applied to Ameritech Michigan's restructured rates, resulting in the wholesale rates that are set forth in Exhibits A-2 and C-2.<sup>6</sup>

11. The standards to be applied by the Commission for approval of the Agreement are set forth in Sections 252(e)(1) and (2) of the Act. Since the Agreement is the result of voluntary negotiations between the parties, the Agreement is not subject to review under the standards set forth in Sections 251(b), 251(c), and 252(d) of the Act.

12. Under Sections 252(e)(1) and (2) of the Act, the Commission must approve the Agreement unless the Agreement or a portion thereof: "discriminates against a telecommunications carrier not a party to the Agreement" or "... implementation of such Agreement or portion is not consistent with the public interest, convenience, and necessity".

13. This Application is further supported by the accompanying Affidavits of Gregory J. Dunny and J. Thomas Elliott, President of USN Communications.

14. As demonstrated by the accompanying Affidavit of Gregory J. Dunny, the Agreement meets all of the criteria for Commission approval under Sections 252(e)(1) and (2) of the Act.

15. The Agreement is not discriminatory. Ameritech Michigan will make the services described in the Agreement available to any other telecommunications carrier operating within Ameritech Michigan licensed service territory on the same terms and conditions without unreasonable discrimination. The Agreement will not preclude different terms and conditions

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<sup>6</sup> Attached to Exhibit C are Exhibits 1 and 2, which show rates that were based on an average discount for each category of service. Subsequent to Ameritech's rate restructuring, USN Communications will receive a flat discount rate on Ameritech's retail rates for access lines.

with other providers. Other providers can negotiate their own resale agreements with Ameritech Michigan pursuant to the applicable provisions of the Act.

16. The Agreement is the product of good faith, private negotiations between competitors.<sup>7</sup> Overall, the Agreement is acceptable to both parties, and it shows that two competitors, negotiating in good faith under the terms of the Act, can arrive at a mutually beneficial business arrangement that meets their individual business interests and furthers the cause of competition in the local exchange market. This is precisely the process Congress envisioned in crafting the Act.<sup>8</sup>

17. As demonstrated by the accompanying Affidavit of J. Thomas Elliott, the Agreement is consistent with the public interest, convenience, and necessity. The Agreement will enhance the ability of USN Communications to quickly begin providing residential and business customers in Ameritech Michigan service territory with another alternative for their local exchange service and other telecommunications services.

18. The Agreement meets all of the requirements of the Act. Pursuant to Section 252(e)(1) of the Act, USN Communications requests expedited approval of the Application without public hearing or formal solicitation of comments.<sup>9</sup> The Application, Affidavits, and the Agreement provide the Commission with sufficient information to approve the Agreement under the standards of Section 252(e)(1) and (2) of the Act.

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<sup>7</sup> Similar interconnection agreements with state specific variations were negotiated for USN Communications with Ameritech in Illinois and Ohio, and with NYNEX for New York. All these agreements are in place within each state.

<sup>8</sup> S. Rep. No. 23, 104th Cong., 1st Sess, at p. 19 ("The Committee intends to encourage private negotiation of interconnection agreements.") The Conference Committee on the Telecommunications Act of 1996 receded to the Senate on Sections 252(a) and (b). See Joint Explanatory Statement of the Committee of Conference at p. 125.

<sup>9</sup> No hearing is required under Section 252 of the Act. Also, Michigan law (MTA Section 203) does not require a hearing. Under Section 252(e)(4) of the Act, the Agreement is deemed approved if the state Commission does not act to approve or reject the Agreement within 90 days after submission.

WHEREFORE, USN Communications and Ameritech Michigan request Commission approval of the Agreement pursuant to Section 252(a)(1) of the Act as soon as possible, but in any event within less than 90 days.

Respectfully submitted,

USN COMMUNICATIONS

AMERITECH MICHIGAN

By: Mr. Robert Neumann

By: Michael A. Holmes

ATTORNEYS FOR  
USN COMMUNICATIONS  
Mr. Ronald Gavillet  
Mr. Robert Neumann  
10 S. Riverside Plaza, Suite 401  
Chicago, Illinois 60606  
Phone: 312-906-3600

ATTORNEY FOR  
AMERITECH MICHIGAN  
Michael A. Holmes (P-24071)  
444 Michigan Avenue  
Room 1750  
Detroit, Michigan 48226  
Phone: 313-223-8008

DATED: October 30, 1996

**Exhibit A**  
**Case No. U-11239**

**AMERITECH RESALE LOCAL EXCHANGE SERVICE**  
**CONFIRMATION OF SERVICE ORDER**

**Residence Services**

**Ameritech Resale Local Exchange Service  
Confirmation of Service Order**

This Confirmation of Service Order ("Agreement") is by and between Ameritech Information Industry Services, a division of Ameritech Services, Inc., a Delaware corporation, on behalf of Ameritech Michigan, with offices at 350 North Orleans Street, Third Floor, Chicago, Illinois 60654 ("Ameritech") and U.S. Network Corporation, a Delaware corporation, with offices at 10 South Riverside Plaza, Suite 401, Chicago, Illinois 60606, on behalf of USN Communications, Inc. ("Carrier").

WHEREAS, Ameritech offers Resale Local Exchange Services in Michigan at the rates and conditions set forth in Michigan Bell Tariff M.P.S.C. No. 20R, Part 22 (the "Service"); and

WHEREAS, Carrier desires to purchase Ameritech Resale Local Exchange Services in Michigan under the rates, terms and conditions set forth herein;

NOW THEREFORE, in consideration of the mutual obligations set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Ameritech and Carrier agree as follows:

**1.0 SERVICES ORDERED**

Carrier hereby orders Ameritech Resale Local Exchange Service in Michigan under Michigan Bell Tariff M.P.S.C. No. 20R, Part 22, which Ameritech has filed with the Michigan Public Service Commission and which is incorporated by reference into this Agreement. Carrier orders the services described in Section 3.0 under Ameritech's Resale Local Exchange Service for a term of ten (10) years (the "Service Term") and commits to a minimum annual volume of 10,000 residence access lines per month ("Volume Commitment"). The residence access lines are described in Section 3.0.

**2.0 SERVICE ORDERING CHARGES**

As set forth in M.P.S.C. No. 20R, Part 3, Section 1, these Service Ordering Charges are in addition to any other scheduled rates and charges normally applying under tariff. They apply in addition to, and not in lieu of, Channel Charges, Initial Non-Recurring Charges or Construction Charges made because of unusual cost in establishing service.

### 3.0 SERVICES ORDERED

#### 3.1 Network Access Line Rates (Monthly)

Rate Groups:            A        B        C        D        E        E        G

Residence Services: (includes TOUCH-TONE service)

1 Party Flat	\$ 8.41	\$ 8.89	\$ 9.38	\$ 9.79	\$10.35	\$10.83	\$11.31
2 Party Flat	\$ 6.60	\$ 6.98	\$ 7.34	\$ 7.73	\$ 8.11	\$ 8.50	\$ 8.87
1 Party Measured	\$ 7.57	\$ 7.57	\$ 7.57	\$ 7.57	\$ 7.57	\$ 7.57	\$ 7.57
2 Party Measured	\$ 4.19	\$ 4.19	\$ 4.19	\$ 4.19	\$ 4.19	\$ 4.19	\$ 4.19
PBX Trunk Flat	\$14.17	\$14.99	\$15.82	\$16.63	\$17.45	\$18.27	\$19.09

#### 3.2 Local Usage Service

Residence            \$0.0552

#### 3.3 Telecommunications Features

	<u>Monthly Residence</u>
976 Prefix Blocking Service	No Charge
Touch-Tone Residence service lines (except P.B.X. trunks) per line)	\$2.31

### 4.0 FAILURE TO MEET VOLUME COMMITMENT

- 4.1 For each twelve (12) month period following the Ramp Up Period (as defined in Section 6.0), Carrier's actual usage shall be determined by measuring the number of actual residence access lines in service at the end of each such twelve (12) month period ("Actual Usage").
- 4.2 For each twelve (12) month period following the end of the Ramp Up Period, Carrier shall pay Ameritech if it fails to meet the Volume Commitment. Carrier's underutilization liability for such failure to meet the Volume Commitment shall be calculated as follows:

X x Y, where:

X = an average of Carrier's residence line rates which, for purposes of this Section, shall be \$9.78 ("Average Residence Line Rate Blend");

Y = 10,000 less the Actual Usage.

If the final period at the end of the Service Term is less than twelve (12) months, the underutilization liability shall be calculated on a pro rata basis.

## **5.0 EFFECTIVE DATE**

Service shall commence thirty (30) days after the tariff attached as Exhibit A becomes effective, or the date on which carrier obtains certification as a local exchange carrier in the state of Michigan, whichever is later ("Service Start Date").

## **6.0 TERM AND TERMINATION**

- 6.1** The Service Term is ten (10) years, beginning on the Service Start Date. The "Ramp Up Period" shall begin ninety (90) days following the Service Start Date and shall end on December 31, 1997.
- 6.2** If Carrier cancels this order before the Service Start Date, Carrier shall reimburse Ameritech for costs incurred by Ameritech on behalf of Carrier up until the time of cancellation.
- 6.3** If, after the Service Start Date, Carrier terminates this Agreement prior to the end of the term specified in Section 7.1, for any reason other than for cause, Carrier shall pay Ameritech for the unmet portion of the Volume Commitment at the month to month rates for the time remaining in the term. This termination liability shall be calculated according to the formula set forth below, and shall then be adjusted to the net present worth using the Ameritech cost of money as set forth in M.P.S.C. No. 20R, Part 2, Section 2:

X x Y x Z, where:

X = Average Residence Line Rate;

Y = the Volume Commitment; and

**Z = the number of years or fractional years remaining in the Service Term after the Ramp Up Period.**

- 6.4** Either party may terminate services under the tariff immediately following written notice and opportunity to cure as set forth hereunder in the event the other party is in default as to any of its material obligations hereunder provided that (a) the defaulting party receives notice of termination containing a reasonably complete description of the default and (b) the defaulting party fails to cure such default within thirty (30) days of receiving such notice or ten (10) days of such notice if the default is nonpayment.

## **7.0 CONDITIONS PRECEDENT**

Neither party shall be required to perform its respective obligations under this Agreement unless and until Carrier obtains certification as a local exchange Carrier in the state of Michigan under Section 357 of the MTA 1991 PA 179 as amended by 1995 PA 216.

## **8.0 NEW SERVICES**

If Ameritech introduces any new services to its Resale Local Exchange Service during the period of Carrier's Service Term, and if those services have a volume or term discount, those services shall be made available to Carrier at the rate which corresponds to Carrier's volume and term commitment.

## **9.0 PROMOTIONAL MATERIALS**

Ameritech shall provide Carrier with information related to the use of the services suitable for Carrier's use in its marketing and promotional material. Ameritech shall also make available to Carrier's personnel, at then prevailing prices, training related to the use and operation of the services.

## **10.0 CREDIT ALLOWANCES FOR SERVICE INTERRUPTIONS**

Carrier shall be entitled to credit allowances for service interruptions in accordance with M.P.S.C. No. 20R, Part 2, Section 2.

## **11.0 CHANGED CIRCUMSTANCES**

- 11.1** Upon reasonable notice provided by either party, Ameritech and Carrier shall meet to review any unforeseen material changes in the competitive circumstances in the industry, including the

competitiveness of the rates herein, and shall negotiate concerning any changes that may be necessary to the rates for any services in this Agreement. In the event that any component of Ameritech's averaged discounted retail rates for the services contained in this Agreement as computed in Exhibit 1, are reduced below the rates in Ameritech's Resale Local Exchange Service Tariff (attached as Exhibit 2) during the term of this Agreement, then at Carrier's option, either (1) Ameritech and Carrier shall re-evaluate and revise the rates as applicable for services in this Agreement or (2) Carrier shall be exempt from any underutilization liability contained in Paragraphs 4.2. Any changes agreed upon shall not become effective until any applicable regulatory filing requirements are met.

- 11.2 In the event Carrier converts to a new Ameritech service that utilizes a change in technology to provide the same service to Carrier with fewer residence access lines, and as a result of this conversion Carrier fails to achieve the Volume Commitment for that twelve month period, Carrier's Volume Commitment for that twelve month period and for each twelve month period remaining in the Service Term shall be reduced by an amount equal to the estimated amount of reduced access lines associated with the service conversation each year.

## **12.0 IMPLEMENTATION**

- 12.1 Following execution of this Agreement, Ameritech and Carrier shall jointly develop an implementation plan for services. This implementation plan shall address, among other things, procedures for on-line ordering, provisioning, and access to customer service records with proper authorization.
- 12.2 Ameritech shall implement Carrier's service orders on a timely basis and within implementation intervals no less promptly than Ameritech implements other service orders for similar items, including retail service orders. If Ameritech fails to implement a service order within such an interval and such failure is not caused by a force majeure (which shall include fires, embargoes, labor disputes, acts of God, the public enemy or other causes beyond Ameritech's reasonable control) or some fault of Carrier (which "fault" shall include any delays associated with Carrier notification

periods and suspensions of change orders provided for in Ameritech's tariff for Resale Local Exchange Service), then Ameritech will waive any non-recurring charges associated with implementation of the Ameritech service.

- 12.3 For maintenance and repair services performed on Ameritech's side of the network interface, Ameritech agrees that quality and timeliness of such services will be no less than the services provided to its retail customers.

### **13.0 TARIFF**

- 13.1 All terms and conditions of Ameritech's Resale Local Exchange Service are set forth in the applicable tariff, which fully determines the rights and obligations of Ameritech and Carrier. No representation or agreements, written or oral, shall alter or in any way affect these rights or obligations. The tariff and this Agreement contain all the applicable rates and charges to be paid by Carrier in connection with Resale Local Exchange Service. In the event of a conflict or discrepancy between the provisions of this Agreement and the provisions of the tariff, the provisions of the tariff shall govern.

- 13.2 In the event that Ameritech revises its tariffs to reflect the restructuring of its local exchange, toll and access service rates as provided for in Section 304a of the Michigan Telecommunications Act, Ameritech may revise the rates shown in Section 3.0 of this Agreement to reflect appropriate changes, if any, to those rates. Such tariff revision shall not affect Carrier's discount structure as reflected in this Agreement.

### **14.0 PUBLICITY**

Except as otherwise provided in this Agreement, Carrier shall not use any of the trademarks, trade names, service marks or other proprietary marks of Ameritech or its corporate affiliates in any advertising, press releases, publicity matters or other promotional materials without Ameritech's prior written permission. Ameritech and Carrier shall jointly develop a press release publicizing their relationship under this Agreement, subject to both (1) the parties' prior non-disclosure agreement, and (2) mutually agreed upon language and media.

IN WITNESS WHEREOF, this Agreement has been executed by the parties set forth below.

U.S. Network Corporation, on  
behalf of USN Communications,  
Inc.

Ameritech Information Industry  
Services, a division of Ameritech  
Services, Inc., on behalf of  
Ameritech Michigan

By: *John Thomas Elliott*

By: *Neil E. Cox*

Name: John Thomas Elliott

Name: NEIL E. COX

Title: President

Title: PRESIDENT

Date: 4-26-96

Date: 4/29/96



**Exhibit A-1**  
**Case No. U-11239**

**ADDENDUM TO**  
**AMERITECH RESALE LOCAL EXCHANGE SERVICE**  
**CONFIRMATION OF SERVICE ORDER**

**Residence Services**

**Addendum to Ameritech Resale Local Exchange  
Service Confirmation of Service Order**

This Addendum is by and between Ameritech Information Industry Services, a division of Ameritech Services, Inc., a Delaware corporation, on behalf of Ameritech Michigan, with offices at 350 North Orleans Street, Third Floor, Chicago, Illinois 60654 ("Ameritech") and US Network Corporation, a Delaware corporation with offices at 10 South Riverside Plaza, Suite 401, Chicago, Illinois 60606, on behalf of USN Communications, Inc. ("Carrier")

WHEREAS, Ameritech and Carrier have entered into an agreement entitled "Ameritech Resale Local Exchange Service Confirmation Of Service Order" ("Agreement") dated April 26, 1996 for the resale of 10,000 residence access lines per month; and

WHEREAS Ameritech and Carrier desire to clarify the terms of the Agreement.

NOW THEREFORE, in consideration of the mutual obligations set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Ameritech and Carrier agree as follows:

1.0 The following new Sections 3.4 and 3.5 are added:

**3.4 End User Common Line Charge**

All residence access lines shall be assessed a monthly end user common line charge.

**3.5 Connection and Rearrangement Charges**

Line connection charges and the line rearrangement charges are applicable to add or change a residence line.

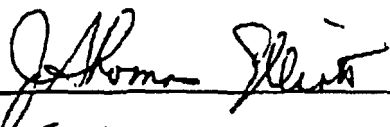
2.0 The following new Section 6.5 is added:

6.5 If the tariff revisions that implement Ameritech's Resale Local Exchange Service to Carrier are suspended for more than six (6) months or are rejected, or if the terms of this Agreement or the terms of the Resale Local Exchange Service tariff are altered in any material manner, then either party may elect to terminate this Agreement with no liability on thirty (30) days' written notice given no later than sixty (60) days after the event giving rise to the termination.

IN WITNESS WHEREOF, this agreement has been executed by the parties set forth below:

US Network Corporation on  
behalf of USN Communications, Inc.

Ameritech Information Industry  
Services, a division of Ameritech  
Services, Inc., on behalf of  
Ameritech Michigan

By: 

Name: J. Thomas Elliott

Title: President and CEO

Date: May 22, 1996

By: 

Name: Neil E. Cox

Title: President

Date: 6/24/96

**Exhibit A-2**  
**Case No. U-11239**

**SECOND ADDENDUM TO**

**AMERITECH RESALE LOCAL EXCHANGE SERVICE**

**CONFIRMATION OF SERVICE ORDER**

**Residence Services**

**Second Addendum to  
Ameritech Resale Local Exchange Service  
Confirmation of Service Order**

This Second Addendum is by and between Ameritech Information Industry Services, a division of Ameritech Services, Inc., a Delaware corporation, on behalf of Ameritech Michigan with offices at 350 North Orleans, Third Floor, Chicago, Illinois 60654 ("Ameritech") and US Network Corporation, a Delaware corporation with offices at 10 South Riverside Plaza, Suite 401, Chicago, Illinois 60606 on behalf of USN Communications, Inc. ("Carrier").

WHEREAS, Ameritech and Carrier have entered into an agreement entitled "Ameritech Resale Local Exchange Service Confirmation of Service Order" ("Agreement") dated April 26, 1996 for the resale of 10,000 residence access lines per month; and

WHEREAS, Ameritech and Carrier have entered into an Addendum to the Agreement dated June 24, 1996; and

WHEREAS, Ameritech and Carrier desire to further clarify the terms of the Agreement.

NOW THEREFORE, in consideration of the mutual obligations set forth herein, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, Ameritech and Carrier agree as follows:

- 1.0 Section 3.0 of the agreement is modified to delete Section 3.1 and to replace it with the following:

**3.1 Network Access Line Rates (monthly)**

Rate Group	A	B1	B2	C1	C2	C3	C4	C5
Residence Services (Includes Touch-tone service)								
Call Plan 60-1 Pty/Trk	\$ 9.18	\$ 9.54	\$ 9.54	\$ 9.58	\$ 9.58	\$ 9.58	\$ 9.58	\$ 9.58
Call Plan 400-1 Pty/Trk	\$12.16	\$12.16	\$11.74	\$10.39	\$10.85	\$11.32	\$11.79	\$12.26
Call Plan 400 Extended	\$27.53	\$27.53	\$27.53	\$27.53	\$27.53	\$27.53	\$27.53	\$27.53
Call Plan Unlimited	\$38.54	\$38.54	\$38.54	\$38.54	\$38.54	\$38.54	\$38.54	\$38.54
Rural Zone Charges	\$ 1.55	\$ 1.55	\$ 1.55	\$ 1.55	\$ 1.55	\$ 1.55	\$ 1.55	\$ 1.55

- 2.0 Residence services which are grandfathered by Ameritech shall be made available to Carrier at the rates contained in Ameritech's resale tariffs for those services. Such grandfathered services shall only be made available to end users which subscribe to the service at the time it is grandfathered.
- 3.0 All other terms and conditions of the Agreement and the Addendum continue in full force and effect without change or modification.

18-20-1888 17:39

U. S. AIR FORCE

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P.11

IN WITNESS WHEREOF, this Second Addendum has been executed by the parties set forth below.

US Network Corporation on behalf  
of USN Communications, Inc.

Ameritech Information Industry  
Services, a division of Ameritech  
Services Inc. on behalf of  
Ameritech Michigan

By: *[Signature]*

By: *[Signature]*

Name: \_\_\_\_\_

Name: NEIL E. COX

Title: \_\_\_\_\_

Title: PRESIDENT



**Exhibit B**  
**Case No. U-11239**

**AGREEMENT BETWEEN**  
**AMERITECH INFORMATION INDUSTRY SERVICES**  
**AND**  
**U.S. NETWORK CORPORATION**  
**FOR RESALE SERVICES**